

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

IN RE STRIDE INC. DERIVATIVE
LITIGATION

)
) C.A. No. 20-1731-CFC
) (CONSOLIDATED)
)

**STIPULATION AND ~~PROPOSED~~ ORDER VOLUNTARILY
DISMISSING CASE WITHOUT PREJUDICE**

WHEREAS, on November 19, 2020 and December 11, 2020, two putative securities class actions were filed in the U.S. District Court for the Eastern District of Virginia asserting claims under the federal securities laws against K12 Inc. (now known as Stride, Inc. (“Stride” or the “Company”)) and two of its officers, Nathaniel A. Davis and Timothy Medina, which actions were subsequently consolidated on February 17, 2021 under the caption *In re K12 Inc. Securities Litigation*, No. 20-cv-1419 (E.D. Va.) (the “Securities Class Action”);

WHEREAS, on December 21, 2020 and April 30, 2021, two factually related stockholder derivative actions were filed in this Court, which actions were subsequently consolidated on May 14, 2021 under the caption *In re Stride Inc. Derivative Litigation*, C.A. No. 1:20-cv-1731-CFC (the “Derivative Action”);

WHEREAS, Plaintiffs in this Derivative Action assert breach of fiduciary duty and related claims on behalf of Stride, as a nominal defendant, against certain of the Company’s current and/or former directors and officers, including Messrs.

Davis and Medina (collectively, “Defendants” and, together with Plaintiffs, the “Parties”), based on allegations that overlap with the facts alleged in the Securities Class Action;

WHEREAS, on May 14, 2021, in order to proceed in the most efficient manner and to preserve judicial and party resources, the Court stayed the Derivative Action awaiting resolution of the Securities Class Action, with the stay extending until either (1) the Securities Class Action is dismissed, with prejudice, and all appeals related thereto have been exhausted; or (2) any motion to dismiss the Securities Class Action is denied, Docket Item (“D.I.”) 6, ¶ 12 (the “Stay Order”);

WHEREAS, on September 16, 2021, the Honorable Liam O’Grady of the U.S. District Court for the Eastern District of Virginia granted Defendants’ motion to dismiss in its entirety and, on November 1, 2021, dismissed the Securities Class Action with prejudice, *In re K12 Inc. Sec. Litig.*, No. 20-cv-1419 (E.D. Va. Sept. 16, 2021), D.I. 39; *In re K12 Inc. Sec. Litig.*, No. 20-cv-1419 (E.D. Va. Nov. 1, 2021), D.I. 43;

WHEREAS, on December 1, 2021, plaintiffs in the Securities Class Action filed a notice of appeal to U.S. Court of Appeals for the Fourth Circuit under the caption *James Boykin v. K12 Inc.*, Case No. 21-2351;

WHEREAS, on August 25, 2022, the Parties filed a Joint Status Report in this Court confirming that the Derivative Action remained stayed in light of the pending Securities Class Action appeal, D.I. 7;

WHEREAS on November 22, 2022, the U.S. Court of Appeals for the Fourth Circuit affirmed the judgment dismissing with prejudice the Securities Class Action in its entirety, *see James Boykin v. K12 Inc.*, 2022 WL 17096453, Case No. 21-2351 (4th Cir. Nov. 22, 2022);

WHEREAS, plaintiffs in the Securities Class Action did not file a petition for rehearing in the U.S. Court of Appeals for the Fourth Circuit, and the time to do so has now expired;

WHEREAS, on December 8, 2022, the Parties met and conferred regarding the import of the Fourth Circuit's decision for the instant Derivative Action, in accordance with the Stay Order;

WHEREAS, the Parties now stipulate to the voluntary dismissal of the Derivative Action without prejudice, with each side to bear its own costs and fees; and

WHEREAS, the Parties respectfully submit that notice of said dismissal is unnecessary to protect the interests of Stride's shareholders because (i) the dismissal is without prejudice; (ii) there has been no settlement or compromise between the Parties or attempts to seek such; (iii) there has been no collusion among the Parties;

and (iv) neither Plaintiffs nor their counsel have received or will receive any consideration from Defendants for the dismissal;

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by the Parties and their undersigned counsel as follows:

1. The Derivative Action is hereby dismissed in its entirety without prejudice;
2. Each of the Parties shall bear its own costs, fees, and expenses, including attorneys' fees; and
3. For the reasons noted above, notice of this dismissal to Stride stockholders is not required.

Respectfully submitted this 14th day of December, 2022.

/s/Ryan M. Ernst

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Dated: December 14, 2022

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Medina, and Nominal Defendant Stride,
Inc.*

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FOR THE DISTRICT OF DELAWARE

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) (CONSOLIDATED)
)

~~PROPOSED~~ ORDER

IT IS ORDERED that, pursuant to the stipulation of the Parties and Rule 23.1 of the Federal Rules of Civil Procedure, the Derivative Action is dismissed in its entirety (i) without prejudice, (ii) with each party to bear its own costs, fees, and expenses, including attorneys' fees, and (iii) without requiring notice. The Clerk of the Court is hereby directed to enter this dismissal for every docket for the actions consolidated under the caption *In re Stride Inc. Derivative Litigation*, including C.A. Nos. 1:20-cv-1731-CFC and 1:21-cv-618-CFC.

IT IS SO ORDERED this 29th day of December, 2022.



Chief United States District Judge